

Fiscal Note

State of Alaska
2018 Legislative Session

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| Bill Version: | HB 240 |
| Fiscal Note Number: | 1 |
| (H) Publish Date: | 2/5/2018 |

Identifier: HB240-DCCED-DOI-12-14-17
Title: PHARMACY BENEFITS MANAGERS
Sponsor: GUTTENBERG
Requester: (H) Labor and Commerce

Department: Department of Commerce, Community and
Economic Development
Appropriation: Insurance Operations
Allocation: Insurance Operations
OMB Component Number: 354

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

| | FY2019 Appropriation Requested | Included in Governor's FY2019 Request | Out-Year Cost Estimates | | | | |
|------------------------|--------------------------------------|--|-------------------------|------------|------------|------------|------------|
| OPERATING EXPENDITURES | FY 2019 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Fund Source (Operating Only)

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Updated to 2018 fiscal note form.

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Phone: (907)465-2518
Date: 01/19/2018 11:33 AM
Date: 01/19/18

FISCAL NOTE ANALYSIS**STATE OF ALASKA
2018 LEGISLATIVE SESSION****Analysis**

HB 240 requires Pharmacy Benefit Managers (PBMs) to register with the Director of Insurance as third party administrators, and sets procedures PBMs must follow when conducting pharmacy audits. The bill also establishes procedures related to drug pricing, provides for a pharmacy appeal process related to reimbursement of multi-source generic drugs, and allows a pharmacy to request hearing with the director of the Division of Insurance under existing statute following the appeal process.

The Division of Insurance does not anticipate fiscal impact from this legislation.